District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2147111
Estate No. 24-2147111

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

IN THE MATTER OF THE PROPOSAL OF
VALLEY POWER CORP.
of the City of DRAYTON VALLEY
in the Province of ALBERTA

Take notice that VALLEY POWER CORP. of the City of DRAYTON VALLEY in the Province of Alberta has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to $250 or more are enclosed herewith.

A general meeting of the creditors will be held at #202 - 10104 103 Avenue, EDMONTON, AB on the 9th day of February 2017 at 10:00 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at the City of EDMONTON in the Province of Alberta, this 27th day of January 2017.

The Bowra Group Inc.
Per:

Doug Chivers - Licensed Insolvency Trustee
430 - 505 Burrard Street, PO Box 72
VANCOUVER BC V7X 1M3
Phone: (604) 689-8939 Fax: (604) 689-8584

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
1441413 Alberta Inc. DBA EPT	O/A EPT Clean Oil Calgary AB T2B 3R4		5,405.40
Accurate Scale Industries	16815 - 129 Avenue Edmonton AB T5V 1L2		4,962.30
Acklands-Grainger	4911 - 55 Street Drayton Valley AB T7A 1S6		546.63
Algonquin Power Operating Trust	2845 Bristol Circle OAKVILLE ON L6H 7H7		150,000.00
Align-Tech Industries (1999) Inc.	18114-107 Avenue EDMONTON AB T5S 1K5		11,562.08
All Choice Rentals Ltd	PO Box 6607 Drayton Valley AB T7A 1S1		26,942.48
Ancaster Conveying Systems	611 Argyle St. N. Caledonia ON N3W 1M1		4,560.15
Apex Monarch Inc.	5504 - 58 Avenue Drayton Valley AB T7A 0B1		2,686.06
AR Thomson Group	3420 - 189 St. Surrey BC V3Z 1A7		916.61
Associated Aggregates	PO Box 90 FALUN AB T0C 1H0		36,355.00
ATS Electro Lube	7388 Wilson Ave. Delta BC V4G 1H3		1,374.98
Babcock & Wilcox	Power Generation Group, Inc. Overland Park KS 66211		33,433.92
Barben Industries Ltd.	2318 5A Street Nisku AB T9E 8M2		1,140.32
Barrel Taxi	10135 - 31 Avenue Edmonton AB T6N 1C2		421.21
BDI Canada Inc	P.O. Box 57379 Toronto ON M5W 5M5		8,927.00
Big West Machine & Welding Ltd	Box 5341, 5524 - 53 Ave. Drayton Valley AB T7A 1R5		87,258.33
Bjoern Kaysser	Suite 50, 53521 - Range Road 272 SPRUCE GROVE AB T7X 3M5		1,000.00
Buckman Laboratories	351, rue Joseph-Carrier Street Vandreuil-Dorion QC J7V 5V5		10,607.16

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
Canadian Linen and Uniform Service	8631 Stadium Road Edmonton AB T5H 3W9		3,521.54
CEDA Industrial Services	Suite 625, 11012 Macleod Trail South Calgary AB T2J 6A5		5,180.70
Chamco Industries Ltd	9515 - 51 Avenue Edmonton AB T6E 4W8		10,718.77
ClearTech	1500 Quebec Avenue Saskatoon SK S7K 1V7		9,624.46
Colin Smith	81 Pleasant View Trailer Court DRAYTON VALLEY AB T7A 1M9		7,510.00
Colleen Freake	39 Pleasant View Trailer Court DRAYTON VALLEY AB T7A 1M8		1,827.00
Complete Rental Equipment	Box 7799 Drayton Valley AB T7A 1S8		814.28
Continental Electric Motor Services	8909 - 15th Street NW Edmonton AB T6P 0B8		2,468.04
Cory MacKay	5224-52nd Avenue, General Delivery DRAYTON VALLEY AB T7A 1A0		1,479.00
Crow Enterprise Ltd	RR #1 Thorsby AB T0C 2P0		2,520.00
CRS Crane System Inc	333 Strathmoore Way Sherwood Park AB T8H 1Z7		2,835.00
Cyclone Enviromental Power Wash Inc	PO Box 3183 STN Main Sherwood Park AB T8H 2T2		3,019.64
D.V. Electric Motor	Box 5221, 4985 - 41 Ave. Drayton Valley AB T7A 1R4		2,051.30
D.V. Rentals Inc.	Box 6875 Drayton Valley AB T7A 1S2		1,649.32
Dandy Oil Products Ltd.	15630 - 118 Avenue Edmonton AB T5V 1C4		664.78
Devan Lev	4708-49 Street DRAYTON VALLEY AB T7A 1J1		920.00
Dinamo Machine&Manufacturing	9976 - 67 Avenue Edmonton AB T6E 0P5		5,796.00
Direct Energy Business C/O C15873C	PO Box 1587 Station M Calgary AB T2P 3B9		79,469.76

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
DNOW Canada	PO Box 664, STN. M Calgary AB T2P 2J3		312.34
Dunn-Right Communications	Box 7057 Drayton Valley AB T7A 1S4		732.54
Dynamic Machining & Portable Milling Ltd	6051 88 Street Edmonton AB T6E 5T4		10,489.50
Echo NDE Inc	59 Burnt Park Drive Red Deer AB T4P 0J7		4,025.70
Elmer Lundy	PO Box 2 LODGEPOLE AB T0E 1K0		6,629.00
Endress+Hauser	1075 Sutton Drive Burlington ON L7L 5Z8		288.75
Enercon Water Treatment	3606 - 6 Avenue North Lethbridge AB T1H 5C4		9,726.41
Enviroguard Tanks	Box 1216 Slave Lake AB t0g 2A0		3,465.00
Fastenal Canada	900 Wabanaki Drive Kitchener ON N2C 0B7		3,157.54
Grande Tire Drayton Valley Inc.	Box 6688 Drayton Valley AB T7A 1S1		3,923.26
Gregg Distributors Co. Ltd.	16215 - 118 Avenue Edmonton AB T5V 1C7		13,268.74
Guaranteed Industrial Lighting	#28 - 5359 Timberlea Blvd Mississuga ON L4W 4N5		3,261.30
Hamon Research-Cottrell, Inc.	P.O. Box 1500 Somerville NJ 88760		7,114.39
Hillman Power LP	50 Progress Street Hillman MI 49746		2,055.22
Horizon Forest & Garden	Box 7018 Drayton Valley AB T7A 1S3		1,031.83
Inductive Automation	2110 - 21st Street, Suite 500 Sacramento CA 95818		2,639.68
Info (US) Inc	PO Box 4488 Toronto ON M5W 4H1		17,505.42
Integra mechanical Services	11486 - 215 Street NW Edmonton AB T5S 2Y3		483.00

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
Jackie Urchyshyn	Site 446, B3, C3, RR2 DRAYTON VALLEY AB T7A 2A2		7,200.00
Jacob Hachey	5528 Northview Crescent DRAYTON VALLEY AB T7A 1A9		4,525.00
James Watmough	90 Sunset Road COCHRANE AB T4C 0W3		1,380.00
Kim Hughes	4519-54 Street DRAYTON VALLEY AB T7A 1K7		900.00
King Scaffolding	3349 Cutler Crescent SW Edmonton AB T6W2N4		3,391.50
Koerr Inc.	5605 55 Street, Bay #1, Box 5335 DRAYTON VALLEY AB T0E 1Z0		1,187,292.00
Lewcan Holdings Ltd.	PO Box 6111 Drayton Valley AB T7A 1R6		17,782.55
Lilja Canada	PO Box 751 Bainsville ON K0C 1E0		136,999.62
Lloyd Langford	4125-43 A Sttreet DRAYTON VALLEY AB T7A 1G4		960.00
Londondon Life	255 Dufferin Avenue, T540 London ON N6A 4K1		2,121.44
Macfam Mechanical Ltd.	Box 6576 5014 Industrial Road DRAYTON VALLEY AB T7A 1R9		189,487.00
Macfam Mechanical Ltd.	Box 6576 5014 Industrial Road DRAYTON VALLEY AB T7A 1R9		37,908.57
Magna IV Engineering Ltd	1103 Parsons Road SW Edmonton AB T6X 0X2		23,563.58
Marc Desnoyers	303,4722-44 Street SYLVAN LAKE AB T4S 0G4		1,240.00
McCarthy Tetrault	Suite 5300, TD Bank Tower Toronto ON M5K 1E6		58,039.20
McWinn	100, 10808 - 178 Street Edmonton AB T5S 1J3		262.92
MNP LLP	Suite 1600, 10235 - 101 St NW Edmonton AB T5J 3G1		41,790.96
Mojo Trucking	Box 6997 Drayton Valley AB T7A 1S8		1,554.00

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
Morneau Shepell	895 Don Mills Road, Suite 700 Toronto ON M3C 1W3		2,877.99
Motion Canada DV	6202 - 54th Avenue Drayton Valley AB T7A 1S1		3,580.35
Mountain West Services	101- 56 Cuendet Industrial Way Sylvan Lake AB T4S 0B6		10,338.57
Nelson Bros Oilfield Services	Box 6487 Drayton Valley AB T7A 1R9		38,243.00
NTM Holdings Ltd	PO Box 129 Yahk BC V0B 2P0		10,888.50
Octavian Andrecia	4821, 55th Avenue DRAYTON VALLEY AB T7A 1B6		1,800.00
ONEC Engineering Inc	3821- 78 Avenue Edmonton AB T6B 3N8		3,220.98
Option Industries	Box 6630 Drayton Valley AB T7A 1S1		1,626.35
Paperchase Office Products-Ink	Box 5291, B5021 - 51 Avenue Drayton Valley AB T7A 1R4		1,356.31
Paul Freake	39 Pleasant View Trailer Court DRAYTON VALLEY AB T7A 1M8		1,778.00
Pentair Valves&Controls Canada	8080 40th Street S.E. Calgary AB T2C 2Y3		29,199.35
Phillip Bobrownik	Box 61, 52017, SH759 TOMAHAWK AB T0E 2H0		920.00
Poplar Ridge Home Building	6326 - 50th Avenue Drayton Valley AB T7A 1S5		1,385.13
Prairie Mountain Oilfield	Box 6690 Drayton Valley AB T7A 1S1		39,197.25
Praxair Products Inc.	P.O. Box 2531 Station M Calgary AB T2P 0S6		7,903.21
Productivity Plus	PO Box 4561 Toronto ON M5W 4S9		3,280.44
Protocol 2 Air Sciences	PO Box 4730, Stn South Edmonton AB T6E 5G6		22,850.63
Pyramid Corporation	2308 - 8th Street Nisku AB T9E 7Z2		5,695.76

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
RFS Canada	P.O. Box 7446 Station A Toronto ON M5W 3C1		1,117.38
Ricoh Canada Inc	16011 - 116 Avenue NW Edmonton AB T5M 3Y1		484.84
Robert Parker	Box 458 BReTON AB T0C 0P0		1,700.00
Rocket Express	P.O. Box 5033 Drayton Valley AB T7A 1R3		1,014.60
SIC Controls Ltd	Box 30, Site 23, RR2 Carvel AB T0E 0H0		74,384.00
Spectra	5612 - 57th Street Beaumont AB T4X 1A8		9,833.25
Stetson Motors 2000 Ltd	Box 7109 Drayton Valley AB T7A 1S4		2,210.38
Summit Safety Inc.	PO Box 7140 Drayton Valley AB T7A 1S4		506.10
Tarpon	7020 - 81 Street S.E. Calgary AB T2C 5B8		1,711.39
Telus Communications Inc.	P.O. Box 7575 Vancouver, BC V6B 8N9 BC V6B 8N9		1,181.42
Telus Mobility	PO Box 8950 Stn Terminal Vancouver, BC BC V6B 3C3		520.23
TKO Rentals	Box 7285 Drayton Valley AB T7A 1S5		1,029.00
Torque Industrial Ltd	9816 - 42 Avenue Grande Prairie AB T8W 5A8		317,347.83
Town of Drayton Valley	Box 6837 Drayton Valley AB T7A 1A1		299,864.17
TransAlta Utilities Corp	C/O Finance Department Duffield AB T0E 0N0		551.25
United Farmers of Alberta	PO Box 5350, Station "A" Calgary AB T2H 2J9		7,025.73
Universal Analyzers	5200 Convair Drive Carson City NV 89706		936.72
Van Houtte Coffee Services Inc.	8215 17 EME Avenue Montreal QC H1Z 4J9		1,106.20

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
Verdant Energy Ltd	#100, 525 - 11th Avenue S.W. Calgary AB T2R 0C9		64,725.42
Wajax Industrial	1403 - 5th street Nisku AB T9E 8C7		4,473.00
Waste Management	PO Box 15259 Station A Toronto ON M5W 1C1		488.01
Western Refactory	10008 - 32 Avenue Edmonton AB T6N 1G7		373.80
West-Pem Holdings Ltd	Box 7396 Drayton Valley AB T7A 1S6		295.00
Weyerhauser Company Ltd	Box 7739 Drayton Valley AB T7A 1S8		42,655.20
William Scotsman Canada	C/O Lockbox 911630 Toronto ON M5W 0E9		4,974.85
Workers' Compensation Board-AB	PO Box 2323 Edmonton AB T5J 3V3		2,755.00
Yanke Energy	PO Box 5405 Boise ID 83705		18,470.76
Zee Medical Inc	C/O C3055 ,PO Box 2572 Stn M Calgary AB T2P 3L4		410.67
Total			3,384,965.20

ESTATE NO.: 23-2147111
COURT NO.: 24-2147111
EDMONTON REGISTRY

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
VALLEY POWER CORP.

TRUSTEE'S REPORT TO CREDITORS

JANUARY 27, 2017

1. PURPOSE

On July 20, 2016 Valley Power Corp. (the "Company") filed a Notice of Intention to file a Proposal. The purpose of this report is to provide the creditors the following:

a) Background and financial situation of the Company;
b) Summary of the Proposal;
c) Summary of the assets and liabilities;
d) Estimate of the realization under bankruptcy and a proposal; and,
e) Trustee's recommendation to accept the Proposal.

2. BACKGROUND AND FINANCIAL SITUATION

Company Background

The Company is the operator of a wood biomass plant located in Drayton Valley, Alberta and owns the lands where the plant is situated. The plant commenced operations on May 24, 1996 and ceased operations 20 years later in May 2016.

The plant burned wood biomass and used the energy from the burning of the biomass to generate renewable electric power, which was then sold into the Alberta electrical grid.

Financial Situation

The Company ran into financial difficulty in 2016 for the following reasons:

1) Low market price for electrical power;
2) Lack of abilty to obtain a fuel supply; and,
3) End of the Biofuel Producer Credit Program (the "BPCP").

From 2006 to 2016 the Company had obtained a fixed contract price of $70.91/MWh for the electrical power. However, that contract has expired and the market price for electric power in 2016 has average below $20/MWh.

During the operation of the plant the Company had an agreement in which the biomass fuel was supplied at no cost. This agreement also expired and the Company was not able to negotiate a new agreement.

For a five year period prior to March 31, 2016 the Company received incentives from the provincial government under the BPCP, which reduced their operating costs. The BPCP ended in March 31, 2016.

The Company believed that if it was able to negotiate new agreements or find additional investment they could continue operations. As such, the Company filed a Notice of Intention to File a Proposal on July 20, 2016.

The Company obtained Court approved extensions for filing a Proposal while they attempted to formulate a proposal, which included negotiating with the Province, suppliers, and looking for interested investors or purchasers that would see the creditors receive a better recovery under the Proposal as opposed to a bankruptcy.

Environmental Issue

Located on site is a large pile of wood waste that was previously used for biomass fuel. Since the plant is no longer operating the Company has no ability to remove the waste.

The wood waste could be an environmental concern if left untreated for an extended period of time.

The Company and Trustee continue to monitor the situation and are hopeful with the successful completion of the Proposal the wood waste could be dealt with accordingly.

Letter of Intent ("LOI")

On January 18, 2017 the Company received a LOI to purchase the plant from a third party. At this time the Company, along with advice from the Trustee, is continuing discussions with the interested party to determine whether an agreement can be reached. Should a tentative agreement be reached the agreement will have to be approved by the creditors or Court of Queen's Bench of Alberta.

3. SUMMARY OF PROPOSAL

The Proposal contemplates the Company perform the following:

a) Pursue an en bloc sale of all the assets of the Company for a six month period or such further time agreed to by the inspectors or approved by the Court of Queen's Bench of Alberta;
b) Sell the assets, should an en bloc sale unsuccessful, by public auction, private sale or other means;
c) Use any net proceeds generated from the sale for payment of the following:
    i. professional fees;
    ii. distribution to preferred creditors;
    iii. costs associated with remediation or decommissioning of the plant, if required;
    iv. distribution to unsecured creditors.
d) Continue to assess the requirement or benefit to a decommissioning, reclamation and remediation of the plant;

e) Apply to the Court of the Queen's Bench of Alberta to determine the validity of any builder's lien claims and pay out accordingly dependent on the Court's ruling; and,

f) Retain the net proceeds from the sale of the lands sufficient funds required to remediate and decommission the plant if a purchaser is unable or unwilling to reclaim and it is required by Alberta Environment.

The Proposal contemplates the postponement of the Company's Limited Partner Claims that total $214,725.42. This would reduce the unsecured claims by 11% and increase any recovery to remaining unsecured creditors.

4. IDENTIFICATION AND VALUATION OF ASSETS

The table below identifies the estimated realizable value of the Company's assets:

	Estimated Realizable Value $000's
Cash, at January 20, 2017	192
Equipment	830
Land & Building	1,500
	2,522

Under a bankruptcy the recovery would not be sufficient to repay the secured creditors in full.

Equipment consists of the following:

a) Rolling stock;

b) 20 ton bridge crane;

c) Hog grinding facility;

d) Log and shavings inventory;

e) Turbine generators; and

f) Miscellaneous warehouse equipment.

The land and building consists of 34.06 acres of land on which the Company's plant is located on in Drayton Valley, Alberta. This plant was designed to burn wood waste materials to heat water creating steam to generate electrical power.

5. CREDITOR'S CLAIMS

Secured Creditors

The Company has the following secured claims totaling $1,413,135 that would rank in priority to the unsecured creditors:

Secured Creditor	Amount of Claim ($)	Security
Associated Aggregates	36,355	Building and Land
Koerr Inc.	1,187,292	Building and Land
Macfam Mechanical Ltd.	189,487	Building and Land
SIC Controls Ltd.	1	All present and after acquired company property

Unsecured Creditors

Unsecured creditors consist of 127 creditors. The unsecured creditor balance identified to date is approximately $1,973,096.72 based on the Company records. The major unsecured creditor are:

Torque Industrial Ltd.	$317,348
Town of Drayton Valley	$299,864
Algonquin Power Operating Trust	$150,000

The unsecured creditors are to be paid in accordance with the terms of the Proposal outlined on page three of this report.

6. STATEMENT OF ESTIMATED REALIZATION

The table below compares the estimated recovery to unsecured creditors under a bankruptcy and a proposal.

	Estimated Realization Bankruptcy	Proposal Recovery
	$000's	
Assets		
Cash	192	192
Equipment	830	830
Land & Building	1,500	1,500
Net proceeds available to creditors	**2,522**	**2,522**
Less: Realization costs	(504)	-
Less: Payment to secured creditors	(1,413)	(1,413)
Funds remaining for unsecured creditors	**605**	**1,109**
Total unsecured creditors	1,973	1,973
Less: Postponement of Limited Partner's claims	-	(215)
Total unsecured creditors participating in distribution	**1,973**	**1,758**
Estimated recovery per $1 of claim	**0.31**	**0.63**

Based on our review of the Company's current assets and liabilities and our discussions with management, in the event of a bankruptcy, it is our view that the liquidation of the Company's assets would provide unsecured creditors a recovery $0.31 per dollar of claim. Our analysis assumes that in a bankruptcy, there will be a realization and selling costs of approximately 20%.

Under the Proposal it is estimated that an en bloc sale of the Company's assets would provide unsecured creditors a recovery of $0.63 per $1 of outstanding claim. Our analysis assumes that there will be no realization or selling costs associated with the sale.

7. CONDUCT OF THE DEBTOR

We are in the process of reviewing financial information, bank statements and the cheque register of the Company for a three month period prior to the Company filing the NOI. We are not aware of the Company being a party to any reviewable transactions or fraudulent preferences as set out in the Bankruptcy and Insolvency Act.

8. LEGAL ACTIONS

The Company is a defendant in an action brought by 4331885 Canada Inc. carrying on business as Lilja Canada Inc. for unpaid invoices. Any amount owing to Lilja Canada Inc. would rank as an unsecured creditor within the Proposal proceedings.

9. CONFLICT OF INTEREST

The Trustee is not aware of any conflict of interest.

10. CONCLUSION

The Proposal offers all creditors a greater recovery than they would otherwise receive in a bankruptcy. Consequently, the Trustee recommends acceptance of the Proposal.

THE BOWRA GROUP INC.
Trustee under the Proposal of Valley Power Corp.

District of Alberta

Division No. 01 – Edmonton

Court No. 24-

Estate No.: 24-

Form 35

IN THE MATTER OF THE DIVISION I PROPOSAL OF VALLEY POWER CORP. AN INSOLVENT PERSON

DIVISION 1 PROPOSAL

(Section 50 of the Bankruptcy and Insolvency Act)

ARTICLE 1 – DEFINITIONS

1.1 Definitions

In this Proposal, the following words and phrases shall have the following respective meanings:

a) "Acceptance" means the acceptance of the Proposal by the Creditors and the ratification of the Proposal by the Court;

b) "Act" means the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (as amended);

c) "Assets" mean the Equipment, Inventory and Lands owned by Valley Power;

d) "Builders' Liens" means those Builders' Liens filed against the title to the Lands described as:

   a. Registration No. 162 064 763 – Lien Claimant Koerr Inc.

   b. Registration No. 162 118 758 – Lien Claimant MacFam Mechanical Ltd.

   c. Registration No. 162 128 589 – Lien Claimant Associated Aggregates Inc.

e) "Certain Crown Claims" means those Creditors defined in Article 7.2 hereof,

f) "Claims" has the meaning ascribed thereto in the Act;

g) "Court" means the Court of Queen's Bench of Alberta in Bankruptcy and Insolvency;

h) "Creditor" or "Creditors" means the creditors of Valley Power affected by this Proposal;

i) "Director's Liability" means the liability of the directors of Valley Power in regard to those claims against Valley Power defined in Article 7.5 hereof in respect of which the directors of Valley Power are liable in their capacity as a director of Valley Power;

j) "Equipment" means all of the equipment owned by Valley Power;

k) "Insolvent Person" means Valley Power Corp., including Valley Power Corp , as general partner of Valley Power LP and Valley Power LP;

l) "Inspectors" means those inspectors duly appointed pursuant to the terms of the *Act*;

m) "Inventory" means all of the materials owned by the Insolvent Person consumed in its business operations;

n) "Lands" means those lands standing in the name of Valley Power and described as:

PLAN 9222632
LOT 2
CONTAINING 23.82 HECTARES (58.86 ACRES) MORE OR LESS
EXCEPTING THEREOUT

		HECTARES	ACRES	MORE OR LESS
A)	PLAN 9523866 ROAD	0.702	1.73	
B)	PLAN 9525030 SUBDIVISION	9 29	22 96	
C)	PLAN 0122262 ROAD	0 03	0.11	

o) "Lands Net Proceeds" means the proceeds received from the sale of the Lands less payment of any debts, now or in the future incurred and secured against the Lands and all expenses incurred with respect to the sale of the Lands including but not limited to Professional Fees, Real Estate Commissions, any costs associated with necessary remediation or decommissioning of the Plant, and Property Taxes;

p) "Meeting of Creditors" means the meeting of Creditors scheduled to consider and vote on the Proposal;

q) "Net Assets Proceeds" means the proceeds received from the sale of the Assets less any debts now or in the future secured against the Assets and all expenses incurred with respect to the sale of the Assets including but not limited to Professional Fees, Commissions and any costs associated with the necessary remediation and decommissioning of the Plant;

r) "Notice of Meeting" means the notice of the Meeting of Creditors forwarded to the Creditors;

s) "Ordinary Unsecured Creditor(s)" means those creditor(s) of Valley Power as defined in Article 7.8 hereof,

t) "Plant" means the Lands and power generation equipment located thereon;

u) "Preferred Creditors" means those Creditors of Valley Power defined in Article 7.7 hereof;

v) "Professional Fees" means, individually or cumulatively as the context requires, the fees and disbursements of the Trustee under the Proposal of Valley Power, the fees and disbursements of the Trustee's legal counsel (if any), and the fees and disbursements of legal counsel to Valley Power;

w) "Proposal" means the series of steps and arrangements contemplated herein, by which the debts and obligations owing by Valley Power to the Creditors will be dealt with pursuant to Division I of Part III of the Act;

x) "Proposal Implementation Date" means the date that rights and obligations under the Proposal become effective and is the latest date upon which each of the following events has occurred:

   i. the approval of the Proposal by the requisite majority in number and in value of the Creditors required under Division I of Part III of the Act has been obtained, and

   ii. an Order of the Court approving the Proposal has been obtained and the appeal period from such Order has expired, or if any appeal is taken from such Order, a final Order dismissing such appeal has been obtained;

y) "Proposal Valuation Date" means July 20, 2016;

z) "Termination Date" means the date upon which the claims of all Creditors have been satisfied in accordance with the Proposal or otherwise satisfied;

aa) "Trustee" means Bowra Group Inc., trustee under the Proposal,

bb) "Unsecured Creditors" means those Creditors defined in Article 7.8 hereof;

cc) "Valley Power" means the Insolvent Person;

dd) "Valued Claim" means the claim of a Creditor as of the Proposal Valuation Date which has been valued by the Trustee; and

ee) "Wage Claims" means the claims advanced against Valley Power by those Creditors defined in Article 7.4 hereof.

ARTICLE 2 – INSOLVENT PERSON

2.1 Valley Power, the Insolvent Person, hereby submits the following Proposal pursuant to the Act.

ARTICLE 3 – PURPOSE AND EFFECT OF PROPOSAL

3.1 The purpose of the Proposal is to allow Valley Power the opportunity to offer a compromise to its Unsecured Creditors of their claims against Valley Power. The Proposal is not intended to affect any Secured Creditor of Valley Power.

3.2 Valley Power wishes to permit the Creditors to achieve a recovery on their claims against Valley Power which is superior to that which the Creditors are expected to achieve in the event that Valley Power were to become bankrupt.

3.3 The Proposal will become effective on the Proposal Implementation Date, on which date the claims of the Creditors will be compromised in accordance with the terms hereof.

ARTICLE 4 – MEETING OF CREDITORS

4.1 The Creditors shall be given formal notice to attend a Meeting of Creditors as outlined in the Notice of Meeting.

ARTICLE 5 – ADMINISTRATION OF THE PROPOSAL

5.1 The Creditors, with the consent of Valley Power, may include such additional provisions or terms in the Proposal with respect to the supervision of the affairs of Valley Power as they may deem advisable.

5.2 The Creditors may appoint one or more, but no more than five, Inspectors of the Proposal of Valley Power.

5.3 The Proposal shall be terminated upon the date on which the claims of all Creditors have been satisfied pursuant to the terms of the Proposal, or upon the bankruptcy of Valley Power, or as otherwise provided in the Act.

ARTICLE 6 – DEFAULT BY VALLEY POWER IN PERFORMANCE OF PROPOSAL

6.1 Where default is made in the performance of any provision of the Proposal and the default is not remedied by Valley Power or waived by the Inspectors, or in the absence of Inspectors, by a majority of the Creditors as defined in dollar value of proven claims, within thirty (30) days immediately following the default, the Trustee shall so inform all of the Creditors and the Official Receiver in the manner prescribed pursuant to the Act.

6.2 In the absence of Inspectors, the Trustee shall be at liberty to apply to the Court to extend the time for the making of any payment required to be made pursuant to this Proposal.

ARTICLE 7 – DEFINITION OF CREDITOR CLAIMS

7.1 The claims of the Creditors shall have the respective definitions provided in this Article 7.

7.2 "Certain Crown Claims" shall mean any claim of Her Majesty in the Right of Canada or a Province or Territory of all amounts of a kind that could be subject to a demand under:

a) subsection 224.4(1.2) of the *Income Tax Act*;

b) any provision of the *Canada Pension Plan* or the *Employment Insurance Act* that refers to subsection 224.(1.2) of the *Income Tax Act*; and

c) any substantially similar provincial or territorial legislation that has a similar purpose to the subsection 222.4(1.2) of the *Income Tax Act*.

7.3 "Secured Creditor" means a person holding a mortgage, hypothec, pledge, charge, security interest or lien on or against the property of Valley Power or any part of that property as security for a debt due or accruing due to the person from Valley Power, or a person whose claim is based on, or secured by, a negotiable instrument held as collateral security and in respect of which Valley Power is only indirectly or secondarily liable.

7.4 "Wage Claim" includes any claim of employees and former employees of Valley Power for amounts equal to the amounts that such employees may be qualified to receive pursuant to subsection 136(1)(d) of the Act as at the Proposal Valuation Date or of the filing of the Proposal.

7.5 "Director's Liability Claims" includes any claim for obligations of Valley Power where the claim extends to the Directors of Valley Power and such Directors are by law personally liable in their legal capacity as Director of Valley Power for.

a) Certain Crown Claims as defined in Article 7.2 hereof;

b) Wage Claims as defined in Article 7.4 hereof;

c) Goods and Services Tax ("GST") claims as defined pursuant to the ExciseTax Act;

d) WCB premiums as directed under any Provincial or Territorial Workers' Compensation Act;

e) Any claim respecting any breach by Valley Power of any condition of any operating authority, statute or regulation, affecting the operations of Valley Power including, but not limited to, any requirement for decommissioning or reclamation of any of the assets or operations of Valley Power; and

f) Any claim respecting any environmental contamination or condition under any federal, provincial or territorial environmental act.

7.6 For greater certainty, "Director's Liability Claims" excludes any claims that relate to obligations arising out of contractual obligations or claims that are based on allegations of misrepresentation or wrongful or oppressive conduct.

7.7 "Preferred Creditor" includes any Creditor with a claim defined pursuant to subsection 136(1) of the Act. However, "Preferred Creditor" shall exclude any person advancing a Wage Claim.

7.8 "Ordinary Unsecured Creditor" includes all persons to whom Valley Power owes any obligations of any nature and kind whatsoever, whether due or not due for payment at the time of the filing of the Notice of Intention on July 20, 2016 and including contingent or unliquidated claims arising out of any transactions entered into by Valley Power prior to the time of the filing of the Notice of Intention, but shall exclude the claims of Secured Creditors, Wage Claims, Certain Crown Claims, Preferred Creditors, Equity Claims and Professional Liability Creditors.

7.9 "Equity Claims" shall have the meaning set out in the Act and all provisions of the Act applicable to Equity Claims shall apply in this Proposal.

7.10 "Builders' Lien Claimants" means any person claiming a Builders' Lien against the Lands.

ARTICLE 8 – ARRANGEMENTS AFFECTING CANADA REVENUE AGENCY ("CRA")

8.1 Valley Power shall be deemed to have completed a year-end on the day prior to the filing of the Notice of Intention on July 20, 2016. Federal provincial and territorial income taxes, including interest and penalty charges thereon and goods and services taxes (GST), including interest and penalty charges thereon, accruing due or payable for the current fiscal year up to and including the day preceding the filing of the Notice of Intention shall be included as an unsecured claim pursuant to Article 7.8 herein. Any adjustments, assessments or reassessments (if any) made by CRA for claims filed by Valley Power prior to the date of the Notice of Intention in relation to income taxes or GST shall be considered an adjustment, assessment or reassessment in relation to the pre- proposal period.

ARTICLE 9 – ARRANGMENTS AFFECTING CERTAIN CREDITORS

9.1 Any indebtedness incurred by Valley Power for the provision of goods, services, supplies, or any other considerations subsequent to the filing of the Notice of Intention and prior to the approval of the Proposal by the Court shall be paid in full in the ordinary course of business from proceeds realized in relation to the business operations or sale of the Assets or any portion thereof in priority only to the claims of the Unsecured Creditors as defined in Article 7.8 herein, existing at the time of the filing of the Notice of Intention.

9.2 Creditors dealing with Valley Power following the time of the filing of the Notice of Intention shall have no right of set-off.

9.3 Certain Unsecured Creditors of Valley Power whose claims arose prior to the Proposal Valuation Date have been paid in order to assure the continued supply of goods and services deemed critical to the continued operation of the business of Valley Power. Sections 95 to 101 of the Act will not apply to any such payments.

ARTICLE 10 – ARRANGEMENTS AFFECTING CERTAIN CROWN CLAIMS

10.1 Valley Power has already remitted payment directly to CRA for claims defined in Article 7.2 hereof.

ARTICLE 11 – ARRANGEMENTS AFFECTING EMPLOYEES AND FORMER EMPLOYEES

11.1 The claims as defined in Article 7.4 hereof of all amounts outstanding at the time of the filing of the Notice of Intention or of filing the Proposal, together with all amounts accrued due for services rendered after that date and before Court approval of the Proposal, shall be paid in full immediately following Court approval of the Proposal from proceeds realized in relation to business operations or the sale of the Assets or any portion thereof and in priority to the claims of all other Creditors, however, payment to wage claimants shall be subordinate to payment of the Professional Fees.

11.2 For greater certainty, the payment of the claims defined in Article 7.4 hereof shall be the sole responsibility of Valley Power and the claims shall not be included for distribution or any dividends payable by the Trustee with respect to this Proposal.

11.3 Valley Power is not aware of any indebtedness to employees or former employees as defined in Article 7.4 hereof.

ARTICLE 12 – ARRANGEMENTS AFFECTING DIRECTOR'S LIABILITIES

12.1 Effective as of the Proposal Implementation Date, the Directors' Liability Claims shall be deemed satisfied in their entirety and the Directors released from any of the Directors' Liability Claims.

ARTICLE 13 – ARRANGMENTS AFFECTING PREFERRED CREDITORS

13.1 The funds available for distribution in this Proposal shall be distributed to the Preferred Creditors (as defined in Article 7.7 hereof) in priority only to the Unsecured Creditors and the distribution of dividends to the Preferred Creditors shall be subordinate to payment of the Professional Fees.

13.2 Valley Power is not aware of any indebtedness to Preferred Creditors as defined in Article 7.7 hereof.

ARTICLE 14 – ARRANGEMENTS AFFECTING BUILDERS' LIEN CLAIMANTS

14.1 Valley Power shall make application to the Court of Queen's Bench of Alberta for the determination of the validity and quantum of the Builders' Liens claimed by the Builders' Lien Claimants.

14.2 If any Builders' Lien is determined to be valid, the Lands Net Proceeds shall be applied in payment of the valid Builders' Lien in its entirety or proportionately with any other valid Builders' Lien.

14.3 To the extent that a purchaser of the Lands is unable or unwilling to remediate and/or decommission the Plant as required by Alberta Environment, Valley Power shall be entitled to retain from the Lands Net Proceeds those amounts required to remediate and decommission the Plant prior to payment of any Builders' Lien Claimants valid lien claim.

14.4 To the extent that any Builders' Lien Claimant's Builders' Lien is determined to be invalid or is not paid in full from the Lands Net Proceeds, then, provided that the claim is accepted by the Trustee, that portion of the Builders' Lien remaining outstanding shall be deemed to be an unsecured claim, and the Builders' Lien Claimant shall be deemed to be an Ordinary Unsecured Creditor to the extent of such claim.

ARTICLE 15 - ARRANGEMENTS AFFECTING ORDINARY UNSECURED CREDITORS

15.1 Valley Power shall continue to assess the requirement to or desirability of performing decommissioning, reclamation and remediation of the Plant and if it is determined that decommissioning, reclamation or remediation of the Plant is required or desirable, Valley Power may borrow funds for the purpose thereof on the security of the Assets and on terms that are approved by the Inspectors, or in the absence of Inspectors, on application by the Trustee to the Court of Queen's Bench of Alberta

15.2 Valley Power shall continue to pursue an en bloc sale of the Assets for a price and on terms that are approved by the Inspectors or, in the absence of Inspectors, on application by the Trustee to the Court of Queen's Bench of Alberta.

15.3 If an en bloc sale is completed, the allocation of the purchase monies amongst the Lands and the other categories of Assets shall be approved by the Inspectors or, in the absence of Inspectors, on application by the Trustee to the Court of Queen's Bench of Alberta.

15.4 If, after a reasonable period of time, but in any event not exceeding six months from the Proposal Implementation Date, or such extended period as agreed to by the Inspectors, or in the absence of Inspectors, as determined on application by the Trustee to the Court of Queen's Bench, an en bloc sale of the Assets is not possible, then Valley Power shall dispose of the Assets individually or in lots by public auction, private sale or other method of disposal as approved by the Inspectors or, in the absence of Inspectors, the Trustee on application to the Court of Queen's Bench of Alberta.

15.5 Valley Power shall contribute the remaining portions of the Net Assets Proceeds as they become available, and not otherwise used in accordance with the terms of this proposal, for payment in the following order of priority:

1. For payment of the Professional Fees in priority to all claims;

2. For distribution to the Preferred Creditors (where applicable);

3. For payment of costs associated with remediation and/or decommissioning of the Plant as required by the regulatory authority or to enhance the value of remaining assets as approved by the Inspectors or, in the absence of Inspectors, the Trustee on application to the Court of Queen's Bench of Alberta; and

4. For distribution to the Ordinary Unsecured Creditors.

15.6 Valley Power's limited partners have agreed to postpone and subordinate their claims as Ordinary Unsecured Creditors to the claims of all other Ordinary Unsecured Creditors and not accept any distributions until all other Ordinary Unsecured Creditors are paid in full.

15.7 Valley Power reserves the right to payout this Proposal at any time without penalty.

15.8 The Professional Fees shall be paid in priority to the claims of all Creditors defined in Article 7 hereof. Trustee's fees shall be calculated in accordance with the time spent by the Trustee and its staff at the Trustee's standard rates for the individuals involved.

15.9 The Professional Fees shall be submitted to the Court for approval and taxation with the Trustee's Final Statement of Receipts and Disbursements pursuant to the Act. Notwithstanding the requirement for taxation of Trustee's fees at the end of the administration of this Proposal, the Trustee will be at liberty to draw its fees and disbursements on a monthly basis at the discretion of the Trustee (if required) in order to cover the costs of administration of the Proposal.

ARTICLE 16 – EFFECTIVE PROPOSAL IMPLEMENTATION DATE AND PERFORMANCE

16.1 Effective as of the Proposal Implementation Date, Valley Power and each and every present and former shareholder, officer, director, employee, auditor, financial advisor, legal counsel and agent of Valley Power and the Trustee (collectively "the Released Parties" and individually a "Released Party") will be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of

whatever nature that any of the Creditors may be entitled to assert (including any and all claims in respect of potential statutory liabilities of the former, present and future directors and officers of Valley Power), whether known or unknown, matured or unmatured foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Proposal Valuation Date relating to, arising out of or in connection with the Claims or the business affairs of Valley Power.

16.2 Upon Valley Power performing its obligations under the Proposal, the Trustee shall provide Valley Power with a Certificate of Full Performance of the Proposal pursuant to section 65.3 of the BIA. The Proposal shall be conclusively deemed to have been fully performed upon the earlier of:

1. payment of all Creditors' Claims; or,

2. the Trustee being satisfied that all of Valley Power's Assets have been realized and distributed in accordance with the terms of this Proposal.

16.3 Upon issuance by the Trustee to Valley Power of a Certificate of Full Performance of the Proposal, Valley Power will be released from all debts and liabilities, present or future, to which Valley Power was subject on the Proposal Valuation Date, or to which Valley Power has or may become subject after the Proposal Valuation Date by reason of any obligation incurred or any act or omission which occurred on or before the Proposal Valuation Date (save and except for Claims against Valley Power under section 178 of the Act), including claims against Valley Power for indemnity and all unliquidated or contingent claims arising out of any transaction entered into by Valley Power on or prior to the Proposal Valuation Date, regardless of whether or not a proof of claim was filed with the Trustee in respect of any such claim.

16.4 As required by section 60(2) of the Act, all monies payable under the Proposal shall be paid by Valley Power to the Trustee, and shall thereafter be distributed by the Trustee in accordance with the Proposal and the Act.

ARTICLE 17 – VALUATION OF CLAIMS, VOTING AND APPLICABLE DATES

17.1 The Claims of all Creditors who have proven claims against Valley Power shall be valued as at the Valuation Date by the Trustee, at or before the Meeting of Creditors.

17.2 Proofs of Claim, proxies and voting letters intended to be used at the Meeting of Creditors must be logged with the Trustee prior to the Meeting of Creditors.

17.3 Creditors may vote their claims by either returning a properly completed voting letter to the Trustee prior to the Meeting of Creditors, or by attending at the Meeting of Creditors and voting in person or by proxy.

17.4 Pursuant to sections 50(1.2) and 54.1 of the Act, and for the purposes of the Proposal, Valley Power hereby makes this Proposal to the Creditors and Valley Power hereby designates such parties to whom it is making the Proposal into the following class of Creditors more particularly described below, namely:

a) Class One – Ordinary Unsecured Creditors;

ARTICLE 18 – MODIFICATIONS AND AMENDMENTS

18.1 The Trustee, with the approval of the Court and without notice to the Creditors, may agree to any modification or amendment to the Proposal after the Creditors have voted on the Proposal, including without limiting the generality of the foregoing, any extension of time for carrying out the terms of the Proposal or for taking any steps or proceedings hereunder, other than any modifications or amendments which would materially adversely affect the rights of any Creditors.

ARTICLE 19 – NOTICE

19.1 Unless otherwise indicated, any notice required or permitted to be given pursuant to the Proposal shall be sufficiently given or made if delivered, faxed or mailed by prepaid postage as follows:

To Valley Power:

Valley Power Corp.
One North Lexington Avenue 14th Floor – Suite 1450
White Plains, NY 10601 USA
Attention: Thomas Kelly, Esq.
Tel: 914-421-4910
Fax: 914-421-0052

Copy to Counsel for Valley Power:

Ogilvie LLP
Barristers and Solicitors
#1400, 10303 Jasper Avenue Edmonton AB T5J 3N6
Attention: Kentigern A. Rowan, Q.C./Amber M. Poburan

Copy to the Trustee:

The Bowra Group
#519, 10235 – 101 Street
Edmonton AB T5J 3G1
Attention: Doug Chivers

To the Creditors:

At their last known address according to Valley Power or such other addresses as any of the foregoing may designate from time to time.

Any notice delivered as aforesaid shall be deemed to have been received when delivered if delivered on a day other than Saturday, Sunday or statutory holiday, and otherwise on the next following business day. Any notice mailed as aforesaid shall be deemed to have been received on the 7th business day following the day on which such notice is mailed.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Dated at the City of White Plains, in the State of New York, United States of America, this 25 day of January, 2017.

VALLEY POWER CORP.

Per: _____

Jonathan Maurer, Director

Witness: _____

Print Name: _____

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2147111
Estate No. 24-2147111

[X] Original [ ] Amended

-- Form 78 --

Statement of Affairs (Business Proposal) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

IN THE MATTER OF THE PROPOSAL OF
VALLEY POWER CORP.
of the City of DRAYTON VALLEY
in the Province of ALBERTA

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 20th day of January 2017. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

1. Unsecured creditors as per list "A"	1,973,096.72
Balance of secured claims as per list "B"	0.00
Total unsecured creditors	1,973,096.72
2. Secured creditors as per list "B"	1,413,135.00
3. Preferred creditors as per list "C"	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00
Total liabilities	3,386,231.72
Surplus	NIL

ASSETS
(as stated and estimated by the officer)

1. Inventory		0.00
2. Trade fixtures, etc.		0.00
3. Accounts receivable and other receivables, as per list "E"		
Good	0.00	
Doubtful	0.00	
Bad	0.00	
Estimated to produce		0.00
4. Bills of exchange, promissory note, etc., as per list "F"		0.00
5. Deposits in financial institutions		191,917.00
6. Cash		0.00
7. Livestock		0.00
8. Machinery, equipment and plant		830,000.00
9. Real property or immovable as per list "G"		1,500,000.00
10. Furniture		0.00
11. RRSPs, RRIFs, life insurance, etc.		0.00
12. Securities (shares, bonds, debentures, etc.)		0.00
13. Interests under wills		0.00
14. Vehicles		0.00
15. Other property, as per list "H"		0.00
If debtor is a corporation, add:		
Amount of subscribed capital	0.00	
Amount paid on capital	0.00	
Balance subscribed and unpaid		0.00
Estimated to produce		0.00
Total assets		2,521,917.00
Deficiency		864,314.72

I, Jonathan Maurer, Director, of the City of PELHAM in the State of New York, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 20th day of January 2017 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the City of WHITE PLAINS in the State of New York, on this 20th day of January 2017.

THOMAS J. KELLY
Notary Public, State of New York
No. [illegible]
Qualified in Putnam County
Commission Expires ~~April 30, 13~~
September 10, 2019

Jonathan Maurer, Director

The Bowra Group Inc.
430 - 505 Burrard Street, PO Box 72
VANCOUVER BC V7X 1M3
Phone: (604) 689-8939 Fax: (604) 689-8584
E-mail: claims@bowragroup.com

District of:	Alberta
Division No.	01 - Edmonton
Court No.	24-2147111
Estate No.	24-2147111

FORM 31
Proof of Claim
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

IN THE MATTER OF THE PROPOSAL OF
VALLEY POWER CORP.
of the City of DRAYTON VALLEY
in the Province of ALBERTA

All notices or correspondence regarding this claim must be forwarded to the following address:

_____

_____

In the matter of the proposal of VALLEY POWER CORP. of the City of DRAYTON VALLEY in the Province of Alberta and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____, do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of proposal, namely the 20th day of July 2016, and still is, indebted to the creditor in the sum of $_____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF $_____

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

☐ Regarding the amount of $ _____, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of $_____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE $_____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF $_____

That in respect of this debt, I hold assets of the debtor valued at $_____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF $_____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of $_____
(Attach a copy of sales agreement and delivery receipts.)

☐ E. CLAIM BY WAGE EARNER OF $_____

☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of $_____,

☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of $_____,

☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF $_____

☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of $_____,

☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of $_____,

☐ G. CLAIM AGAINST DIRECTOR $_____

(To be completed when a proposal provides for the compromise of claims against directors.)
That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM $_____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____(am/am not) (or the above-named creditor _____(is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____(have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____, _____.

_____
Witness

_____
Creditor

Phone Number: _____
Fax Number : _____
E-mail Address : _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2147111
Estate No. 24-2147111

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

IN THE MATTER OF THE PROPOSAL OF
VALLEY POWER CORP.
of the City of DRAYTON VALLEY
in the Province of ALBERTA

I, _____, of _____, a creditor in the above matter, hereby appoint _____, of _____, to be my proxyholder in the above matter, except as to the receipt of dividends,_____(with or without) power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

_____
Witness

_____
Individual Creditor

_____
Witness

_____
Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

The Bowra Group Inc.
430 - 505 Burrard Street, PO Box 72
VANCOUVER BC V7X 1M3
Phone: (604) 689-8939 Fax: (604) 689-8584
E-mail: claims@bowragroup.com

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2147111
Estate No. 24-2147111

FORM 37

Voting Letter
(Paragraph 51(1)(f) of the Act)

IN THE MATTER OF THE PROPOSAL OF
VALLEY POWER CORP.
of the City of DRAYTON VALLEY
in the Province of ALBERTA

I, _____, creditor (or I, _____, representative of _____, creditor), of _____, a creditor in the above matter for the sum of $ _____, hereby request the trustee acting with respect to the proposal of VALLEY POWER CORP., to record my vote _____ (for or against) the acceptance of the proposal as made on the _____ day of _____, _____.

Dated at _____, this _____ day of _____ _____.

_____
Witness

_____
Individual Creditor

_____
Witness

_____
Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:
The Bowra Group Inc.
Per:

_____
Doug Chivers - Licensed Insolvency Trustee
430 - 505 Burrard Street, PO Box 72
VANCOUVER BC V7X 1M3
Phone: (604) 689-8939 Fax: (604) 689-8584
E-mail: claims@bowragroup.com